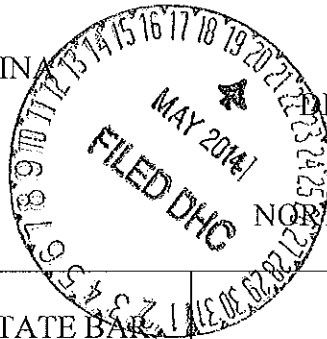


STATE OF NORTH CAROLINA

WAKE COUNTY



BEFORE THE
DISCIPLINARY HEARING
COMMISSION
OF THE
NORTH CAROLINA STATE BAR
14 DHC 16

THE NORTH CAROLINA STATE BAR,

Plaintiff

v.

CLINTON O. LIGHT, Attorney,

Defendant

COMPLAINT

Plaintiff, complaining of Defendant, alleges and says:

1. Plaintiff, the North Carolina State Bar ("State Bar"), is a body duly organized under the laws of North Carolina and is the proper party to bring this proceeding under the authority granted it in Chapter 84 of the North Carolina General Statutes, and the Rules and Regulations of the North Carolina State Bar promulgated thereunder.

2. Defendant, Clinton O. Light ("Light" or "Defendant"), was admitted to the North Carolina State Bar on 5 August 1960, and is, and was at all times referred to herein, an attorney at law licensed to practice in North Carolina, subject to the laws of the State of North Carolina, the Rules and Regulations of the North Carolina State Bar and the Rules of Professional Conduct.

3. During the relevant periods referred to herein, Light was engaged in the practice of law in the State of North Carolina and maintained a law office in Eden, Rockingham County, North Carolina.

FIRST CLAIM FOR RELIEF

4. Paragraphs 1 through 3 are re-alleged and incorporated herein.

5. In or about February 2009, Light was retained by J. Yeattes ("Yeattes"), administrator of the Estate of L. Yeattes, Jr. ("Estate"), to serve as attorney for the Estate and to assist Yeattes in his administration of the Estate.

6. On or about 8 April 2009, the Clerk of Superior Court for Rockingham County ("Clerk") issued Letters of Administration to Yeattes.

7. The Estate consisted entirely of bank accounts, certificates of deposit and IRA accounts at several different banks.

8. Light was responsible for (i) writing financial institutions and locating assets, (ii) having found assets paid/transferred into the Estate bank account, (iii) preparing and filing with the Clerk all Estate inventories and accountings, and (iv) providing legal counsel to Yeattes.

9. Several family members to include two nieces of the decedent, L. Bronstein ("Bronstein") and R. Darwin, assisted Light in locating Estate assets.

10. There were no Estate assets that had to be sold to pay Estate debts and make distributions to the heirs.

11. The only checks written from the Estate account were:

- a. Two checks written to pay debts of the decedent;
- b. Two checks written for bond payments;
- c. Three checks written to Light for payment of attorney's fees; and
- d. Checks written to make distributions to the heirs.

12. Administration of the Estate was not complicated.

13. Although Light did not prepare a written fee agreement for his representation of the Estate, Light told Yeattes that he would charge a fee of \$17,500 for his services.

14. On or about 3 July 2009, the Estate paid Light \$17,500 in accordance with Light's stated fee for this representation.

15. On or about 8 July 2009, Light filed a motion seeking to extend the time within which the Estate was required to file the Estate Inventory.

16. The Clerk extended the time within which the Estate was required to file the Inventory until 9 August 2009 in response to Light's request.

17. On or about 13 August 2009, the Clerk issued a Notice to File Inventory for the Estate. The Clerk sent a copy of this notice to Light.

18. On or about 17 August 2009, Light filed another motion seeking to have the time within which the Estate was required to file the Inventory extended again.

19. The Clerk extended the time within which the Estate was required to file the Inventory a second time. This time the Clerk gave the Estate until 17 September 2009 in response to Light's request.

20. The Clerk did not grant Light any further extensions of time to file the Estate Inventory.

21. In or about September 2009, Light charged the Estate an additional \$12,000 legal fee. The Estate paid the additional fee on or about 10 September 2009.

22. When Light charged the Estate this additional fee, Light had not yet filed the Estate Inventory or any accountings.

23. On 1 December 2009, Light filed the Inventory for the Estate, more than two months after the second extended deadline. This filing was untimely.

24. Light understated the value of the Estate's assets as of December 2009 on the Inventory he filed on behalf of the Estate by failing to include a \$50,959.61 deposit from Bank of America and a \$76,946.19 deposit from American National Bank.

25. Light's understatement of the Estate assets on the Inventory made it difficult to determine on future filings for the Estate that Light had been paid \$29,500 in legal fees by the Estate before Light filed the Estate Inventory.

26. On or about 9 April 2010, the Clerk issued to Yeattes a Notice to File Final Account. The Clerk sent Light a copy of this notice.

27. Light did not make any filing on behalf of the Estate in response to this notice.

28. On or about 14 May 2010, the Clerk issued an Order to File Inventory or Account because no final account had been filed for the Estate. The Clerk sent a copy of this order to Light.

29. Light did not make any filing on behalf of the Estate in response to this order.

30. On or about 26 August 2010, the Clerk issued an Order to File Inventory or Account because no annual account had been filed for the Estate. The Clerk sent a copy of this order to Light.

31. On or about 14 September 2010, Light filed an Estate annual account for the period 1 December 2009 through June 2010. This filing was untimely.

32. Light failed to list any disbursements that were made on behalf of the Estate during the time period covered by the September 2010 account filing.

33. Light failed to show on this account the disbursements the Estate had previously made to him for attorney's fees which Light had also failed to show on any prior accounting.

34. The Estate receipts that Light listed on the September 2010 account filing do not comport with the deposits that were made into the Estate account during the applicable time period.

35. In or about April 2011, Light told Yeattes and Bronstein that an additional \$1,000 in attorney's fees was required to finalize the Estate including preparation of the Estate tax returns.

36. The Estate paid the additional \$1,000 fee on or about 9 April 2011.

37. In addition to the \$30,500 in attorney's fees that the Estate paid Light, Yeattes personally paid Light \$14,000 in attorney's fees.

38. On or about 24 May 2011, the Clerk issued to Light a Notice to File Final Account for the Estate.

39. Light did not submit any filing in response to this notice.

40. On or about 2 September 2011, the Clerk entered an Order to File Inventory or Account because no final account had yet been filed for the Estate.

41. The September 2011 order required the Estate to file the annual or final account within twenty days after service of the order.

42. On 19 October 2011, Light filed an annual account for the period June 2010 through June 2011.

43. Light failed to timely file this annual account.

44. Light listed on the October 2011 account \$501,888.44 as the total balance held on behalf of the Estate. Light submitted the December 2010 bank statement to support this assertion.

45. The total balance held on behalf of the Estate was not \$501,888.44 in June 2011.

46. Light failed to conduct the proper review of Estate records before preparing and filing the October 2011 annual account.

47. Light failed to show on this account the disbursements the Estate had previously made to him for attorney's fees which Light had also failed to show on any prior accounting.

48. On or about 30 December 2011, the Clerk gave Light notice that the final account for the Estate must be filed within thirty days of the date of the notice.

49. Light failed to file the Final Account for the Estate within thirty days of the date of the notice.

50. On or about 1 March 2012, Light submitted a proposed Final Account for the Estate.

51. Light included an attachment to the proposed Final Account that he claimed listed all of the receipts and disbursements of Estate funds.

52. Light included among the list of disbursements shown on the attachment a disbursement to Yeattes for \$56,247.36. Light contended that this payment was reimbursement to Yeattes for costs and other payments Yeattes advanced for the Estate.

53. According to the receipt that Light prepared for Yeattes and had Yeattes sign under oath, Yeattes was entitled to reimbursement in the amount of \$56,247.36 for payments Yeattes advanced on behalf of the Estate.

54. Respondent included in the \$56,247.36 amount payable to Yeattes \$15,868.38 in purported reimbursement for payment of "Farm Expense and Services."

55. Yeattes did not advance \$15,868.38 on behalf of the Estate for farm expense and services. The majority of the funds that made up the \$15,868.38 reimbursement to Yeattes (\$14,000) were legal fees that Yeattes paid to Light for legal work Light performed for Yeattes individually (not related to any needs of the Estate) and the Estate.

56. Light falsely listed the \$14,000 payment to him as part of Farm Expense and Services to conceal the fact that the Estate was paying for his legal fees, a portion of which were incurred for work that was not performed on behalf of the Estate.

57. Light failed to discover many of the Estate assets totaling approximately \$180,000.00 - \$200,000.00 to include bank accounts at Carter's Bank and Bank of America, the bank where the Estate bank account was maintained.

58. Upon information and belief, Light failed to perform any substantive work on behalf of the Estate.

59. Light failed to obtain the Clerk's approval for his fees before collecting them from the Estate.

60. The Clerk concluded that total fee Light collected from the Estate was an excessive fee and ordered that Light refund all but \$500 of the fee collected.

61. The fee that Light collected from the Estate was an excessive fee.

62. Light structured his Estate filings to conceal his receipt of \$30,500 from the Estate.

63. Light failed to timely file the Final Account for the Estate.

THEREFORE, Plaintiff alleges that Light's foregoing actions constitute grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) in that Light violated the Rules of Professional Conduct in effect at the time of the conduct as follows:

(a) By failing to timely file the Estate Inventory and Estate accountings and by failing to file accountings that accurately reflected receipts and disbursements for the accounting period, Light failed to act with reasonable diligence and promptness in representing a client in violation of Rule 1.3;

(b) By drafting the Estate filings in such a way as to conceal the Estate's payment of legal fees to Light, Light engaged in conduct involving dishonesty, fraud, deceit or misrepresentation in violation of Rule 8.4 (c) and engaged in conduct prejudicial to the administration of justice in violation of Rule 8.4(d); and

(c) By collecting a \$44,500 for his representation of the Estate without performing any substantive work for the Estate, Light collected an excessive fee in violation of Rule 1.5(a).

SECOND CLAIM FOR RELIEF

64. Paragraphs 1 through 63 are re-alleged and incorporated herein.

65. B. Sands and his wife (hereafter "the Sandses") retained Respondent to file a bankruptcy petition on their behalf.

66. On or about 12 October 2009, the Sandses paid Light \$299.00 to be used for payment of the filing fee for their bankruptcy petition.

67. Prior to October 12th, the Sandses made other payments to Light as payment of the legal fee.

68. Upon information and belief, Respondent failed to deposit the Sandses' \$299.00 bankruptcy petition filing fee into his trust account.

69. Respondent failed to file a bankruptcy petition on behalf of the Sandses or to perform any other substantive work for the Sandses in furtherance of filing their bankruptcy petition.

70. Light failed to refund the unearned portion of the fee for his representation of the Sandses in the bankruptcy matter.

71. On or about 5 August 2011, the Sandses filed a fee dispute petition with the State Bar.

72. Respondent failed to provide a substantive response to the Sandses fee dispute petition.

73. On or about 12 October 2011, the Sandses' fee dispute resolution file was closed.

74. On or about 31 January 2012, the Sandses terminated Light's representation of them and the fee dispute resolution file was reopened.

75. Light was notified by letter dated 31 January 2012 that his response to the fee dispute petition for the reopened file was due on 15 February 2012.

76. Respondent failed to submit his response to the Sandses' fee dispute petition on or before 15 February 2012.

THEREFORE, Plaintiff alleges that Light's foregoing actions constitute grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) in that Light violated the Rules of Professional Conduct in effect at the time of the conduct as follows:

(a) By failing to deposit the Sandses' bankruptcy petition filing fee into his trust account, Defendant failed to properly deposit and maintain entrusted client funds in violation of Rule 1.15-2(a) and (b);

(b) By failing to file the bankruptcy petition for the Sandses, Defendant failed to act with reasonable diligence and promptness in representing a client in violation of Rule 1.3;

(c) By failing to disburse the bankruptcy filing fee to the court or to return it to the Sandses, Defendant used entrusted property for the benefit of one other than the legal or beneficial owner of the property in violation of Rule 1.15-2(j);

(d) By failing to refund the unearned portion of his fee after the Sandses terminated Light's representation of them, Defendant failed to refund an unearned fee in violation of Rule 1.16(d); and

(e) By failing to respond to the Sandses' fee dispute petition, Defendant failed to participate in good faith in the fee dispute resolution process in violation of Rule 1.5(f)(2).

THIRD CLAIM FOR RELIEF

77. Paragraphs 1 through 76 are re-alleged and incorporated herein.

78. On or about 17 November 2011, E. Powell, Jr. (hereafter "Powell") retained Light to obtain a name change for Powell's son.

79. Powell paid Light \$500 for this representation. This \$500 amount did not include other funds Powell advanced to Light for payment of filing fees.

80. On or about 15 December 2011, Light drafted and Powell signed a petition for name change for Powell's son.

81. Light was required to post notice of the intended name change ten days before filing the application for name change.

82. On or about 21 December 2011, Light posted notice of the proposed name change on the Rockingham County courthouse bulletin board.

83. Upon information and belief, between 21 December 2011 and 20 April 2012, Light failed to perform any work on behalf of Powell.

84. On or about 20 April 2012, Light sent Powell a booklet that outlined the information that was needed for a name change.

85. Powell promptly obtained the documentation as required by Light's April 20th correspondence, including an SBI background check that by its terms was set to expire in August 2012.

86. On or about 9 August 2012, Light sent Powell a letter that contained "new" information that was needed for a name change.

87. Powell promptly obtained the documentation as required by Light's August 9th correspondence.

88. Light failed to file the petition for name change until 21 November 2012; approximately one year after Powell retained Light and approximately eleven months after Powell signed the petition.

89. Light failed to submit any of the required supporting documentation when he filed the petition in November 2012 though Powell had previously provided the required documentation to Light.

90. Light failed to perform any substantive work on behalf of Powell from April 2012 through November 2012.

91. On 13 December 2012, Light filed an affidavit by Powell that stated that Powell did not owe any back child support, IRS or state taxes. This affidavit was supposed to be submitted by the child.

92. On or about 13 December 2012, Light was notified by the Office of the Clerk of Court for Rockingham County that he listed the wrong birthdate in the name change petition and that the December affidavit needed to be submitted in the name of the child.

93. Light failed to file an amendment to the petition until 31 January 2013.

94. Light filed the remaining supporting documentation with the amendment to petition he filed on January 31st. However, the SBI report Light submitted in support of the petition had expired as of on or about 16 August 2012, before Light had initially filed the original petition for Powell.

95. As a result of Light's neglect of his representation of Powell, Powell will be required to obtain a new SBI background check in order for his petition for name change to be granted.

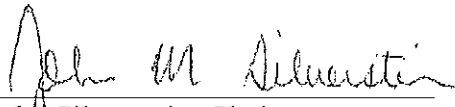
THEREFORE, Plaintiff alleges that Light's foregoing actions constitute grounds for discipline pursuant to N.C. Gen. Stat. § 84-28(b)(2) in that Light violated the Rules of Professional Conduct in effect at the time of the conduct as follows:

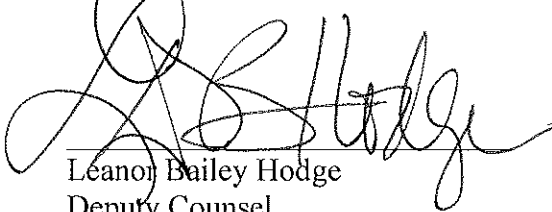
(a) By failing to perform any substantive work for Powell in a timely manner, Defendant failed to act with reasonable diligence and promptness in representing a client in violation of Rule 1.3.

WHEREFORE, Plaintiff prays that:

- (1) Disciplinary action be taken against Defendant in accordance with N.C. Gen. Stat. § 84-28(c) and 27 N.C.A.C. 1B § .0114 as the evidence on hearing may warrant;
- (2) Defendant be taxed with the administrative fees and with actual costs permitted by law in connection with this proceeding; and
- (3) For such other and further relief as is appropriate.

This the 20th day of May, 2014.


John Silverstein, Chair
Grievance Committee


Leanon Bailey Hodge
Deputy Counsel
State Bar No. 27253
Attorney for Plaintiff
The North Carolina State Bar
P.O. Box 25908
Raleigh, NC 27611
919-828-4620